

**FOLLOW-UP:
2001-03 HIGHER
EDUCATION FACILITIES
PRESERVATION STUDY**

REPORT 03-8



AUGUST 6, 2003

STATE OF WASHINGTON

**JOINT LEGISLATIVE AUDIT AND
REVIEW COMMITTEE**

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OVERVIEW:

In 2001-03, JLARC's Higher Education Facilities Preservation Study (Report 03-1) assembled a large body of comparable information on college and university building inventories and conditions previously unavailable to the Legislature. The study identified more than 40 million square feet of state-supported publicly-owned higher education facilities across the state, with an estimated \$1.3 billion backlog of preservation and repair projects. JLARC made four recommendations to improve higher education preservation budgeting and accountability:

1. Sustain and expand the Comparable Framework (Legislature);
2. Establish minimum preservation expenditure thresholds and improve reporting of expenditures (OFM);
3. Establish preservation funding policies (OFM); and
4. Create a backlog reduction funding process (Legislature).

Lawmakers implemented two of the study recommendations during the 2003 Session. They approved \$283 million in the capital budget for higher education facility preservation, including \$152 million to reduce repair backlogs in older and more deteriorated buildings. The Legislature also set forth uniform preservation definitions to be used in budgeting and accountability, established the Facilities Condition Index as a performance measure to track facility conditions over time, and directed JLARC to build additional comparable information about higher education facilities during the 2003-05 Biennium.

JLARC's study directed the remaining two recommendations to the Office of Financial Management (OFM), which has not yet acted upon them. At JLARC's August 6, 2003 meeting, OFM indicated that they will strive to implement Recommendations 2 and 3, but that additional time may be needed.

Since January 2003, JLARC staff have worked with legislative fiscal committee staff to develop an approach to preservation budgeting that analyzes available funding from state and local non-appropriated sources and forecasts future building conditions. Initial analysis indicates that colleges and universities will have enough preservation funding in 2003-05 both to maintain and improve building conditions. Should the state and institutions sustain 2003-05 funding levels through the 2007-09 Biennium, and if institutions spend these funds efficiently, the condition of higher education buildings could improve markedly.

JLARC will continue its study of higher education facilities in 2003-05, and will coordinate this work with two other studies directed in the 2003-05 Capital Budget.